

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEBRASKA

IN RE:)	Case Nos.:
)	
FURNAS COUNTY FARMS;)	04-81489
7-11 PORK FOODS, INC.;)	04-81490
ARAPAHOE FEED MILL, L.L.C.;)	04-81491
FURNAS COUNTY FARMS MARKETING)	04-81492
COMPANY, L.L.C.; and)	
FURNAS COUNTY TRUCKING, L.L.C.,)	04-81494
)	Chapter 11
Debtors.)	

**MOTION FOR ORDER DIRECTING JOINT ADMINISTRATION
OF AFFILIATED CASES PURSUANT TO BANKRUPTCY RULE 1015(b)**

COME NOW, Furnas County Farms, Furnas County Farms Marketing Company, L.L.C., Furnas County Trucking, L.L.C., Arapahoe Feed Mill, L.L.C., and 7-11 Pork Food, Inc., the Debtors and Debtors-in-Possession in the above referenced cases (“Debtors”), and submit their Motion for Order Directing Joint Administration of Affiliated Cases Pursuant to Bankruptcy Rule 1015(b) (the “Motion”). In further support of this Motion, the Debtors respectfully represent as follows:

Jurisdiction

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334, and Fed. R. Bankr. P. 1015(b).
2. Venue lies properly in this Court, pursuant to 28 U.S.C. §§ 1408.
3. This matter is a core proceeding pursuant to 28 U.S.C. § 157.

The Nature and Structure of the Debtors' Businesses

4. The Debtors are engaged in owning, leasing, operating and managing swine operations in Nebraska, South Dakota and Iowa.

5. Collectively, the Debtors have annual sales of approximately \$80,000,000. At the time of the filing, the Debtors believe all of their assets are worth approximately \$50,000,000, based on the Asset Purchase Agreement between the Debtors and AFA Acquisition Co., L.L.C. All of the assets were pledged to pre-petition secured lenders ("Secured Lenders") who are owed approximately \$116,000,000 of principal and \$10,000,000 of interest. Additionally, the Debtors have other liabilities of approximately \$70,000,000. At the time of the bankruptcy filing, the amount of trade payables was approximately \$5,000,000.

6. The Debtors employ approximately 375 salaried and hourly employees.

7. As of the petition date, the Debtors were managing approximately 430,000 head of swine that require constant monitoring, feeding and care.

8. The Debtors have filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") and, pursuant to §§ 1107 and 1108 of the Bankruptcy Code, have continued in the possession of their properties and management of their businesses as Debtors-in-Possession.

Joint Administration is in the Best Interest of Estates

9. Fed. R. Bankr. P. 1015 (b) authorizes the joint administration of separate cases filed by a debtor and its affiliates. Section 101(2)(B) defines "affiliate" to include a "corporation 20 percent or more of whose outstanding voting securities are directly or indirectly owned, controlled or held with power to vote . . . by an entity that directly or indirectly owns controls, or holds the power to vote 20 percent or more of the outstanding voting securities of the debtors." Thus, all are affiliates eligible for joint administration.

10. Moreover, the business purpose, operations, structure and financing of the Debtors are closely related and intertwined. The Debtors' business is owning, leasing, operating

and managing swine operations. All of the entities are generally financed in the same manner and by the same Secured Lenders. Finally, the Debtors' business operations are operated out of the same headquarters.

11. The Debtors generally follow common operating methods and procedures.

12. As a result of the affiliated nature of the Debtors, their common operating methods and their closely related financing obligations, the Debtors believe that the interests of all estates would be best served by joint administration of the five cases.

13. Joint administration of the five cases should result in significantly reduced administrative expenses and simplify the administration of these cases for all parties. Additionally, judicial economy will clearly be served by joint administration. This application does not request, nor suggest, substantive consolidation of the cases.

14. Additionally, Debtors suggest that all documents in all cases be filed in and captioned with the Furnas County Farms case number and caption, with the words "Joint Administration" under Furnas County Farms case number in said caption, except upon specific additional order of this Court.

WHEREFORE, each of the separate entities comprising the Debtors, respectfully prays that this Court enter an Order:

a. Authorizing the joint administration of the proceedings of Furnas County Farms, Furnas County Farms Marketing Company, L.L.C., Furnas County Trucking, L.L.C, Arapahoe Feed Mill, L.L.C., and 7-11 Pork Food, Inc.

b. Providing for pleadings to be filed in the Furnas County Farms case with the Furnas County Farms' caption and case numbers, but with the words "Joint Administration" under the case number in that caption; and

c. Granting such other and further relief as is just and proper.

FURNAS COUNTY FARMS, et al., Debtors and
Debtors-in-Possession

By: s/ James A. Overcash
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CERTIFICATE OF SERVICE

I hereby certify that on May 3, 2004, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which sent notification of such filing to the following:

United States Trustee's Office

s/ James A. Overcash
Joseph H. Badami, No. 18627